OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF) ORDER GRANTING
NTERA, INC. FOR A CERTIFICATE OF) CERTIFICATE OF
AUTHORITY TO PROVIDE INTEREXCHANGE) AUTHORITY
TELECOMMUNICATIONS SERVICES AND)
LOCAL EXCHANGE SERVICES IN SOUTH	TC01-095
DAKOTA)

On July 26, 2001, the Public Utilities Commission (Commission) received an application for a certificate of authority from NTERA, Inc. (NTERA).

NTERA proposes to provide local and interexchange services in South Dakota, including switched and non-switched local services, DSL, ISDN, and outbound and toll free interexchange services. Local service is proposed to be provided in areas not eligible for a small or rural carrier exemption pursuant to section 251(f)(1) of the Federal Act. A proposed tariff was filed by NTERA.

On August 2, 2001, the Commission electronically transmitted notice of the filing and the intervention deadline of August 17, 2001, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled September 18, 2001, meeting, the Commission considered NTERA's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to rural safeguards, and subject to the condition that NTERA not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. Commission Staff further recommended a waiver of ARSD 20:10:24:02(8) and ARSD 20:10:32:03(11)(a).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and 49-31-69 and ARSD 20:10:24:02, 20:10:24:03 and 20:10:32:03. The Commission finds that NTERA has met the legal requirements established for the granting of a certificate of authority. NTERA has, in accordance with SDCL 49-31-3 and 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive subparagraph (8) of ARSD 20:10:24:02 and subparagraph (11)(a) of ARSD 20:10:32:03.

The Commission approves NTERA's application for a certificate of authority, subject to rural safeguards, and subject to the condition that NTERA not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission. The certificate of authority for NTERA shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should NTERA choose to provide local exchange services statewide, with respect to rural telephone companies, NTERA will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to

47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation as an eligible telecommunications carrier. In addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that NTERA's application for a certificate of authority to provide interexchange telecommunications services and local exchange services is granted, effective September 25, 2001, subject to the condition that NTERA not offer a prepaid calling card or require deposits or advance payments without prior approval of the Commission; and it is

FURTHER ORDERED, that NTERA shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize NTERA to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company; and it is

FURTHER ORDERED, that the Commission finds good cause to waive subparagraph (8) of ARSD 20:10:24:02 and subparagraph (11)(a) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this 27th day of September, 2001

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